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CENTCOM FOR ADMIRAL FALLON FROM AMBASSADOR GRAPPO

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TAGS: PARM PREL PTER KNNP MARR MASS MNUC MOPS OVIP

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SUBJECT: SCENESETTER FOR CENTCOM COMMANDER ADMIRAL WILLIAM ¶J. FALLON'S VISIT TO OMAN

REF: A. MUSCAT 48

¶B. MUSCAT 47

1C. MUSCAT 44

¶D. MUSCAT 36

¶E. MUSCAT 04

Classified By: AMBASSADOR GARY A. GRAPPO FOR REASONS 1.4 (B) AND (D)

Summary

11. (C) Admiral Fallon: Embassy Muscat and I warmly welcome your return to Oman. We have asked for a meeting with Sultan Qaboos, who will appreciate hearing your perspective on events in the region. General Moseley visits the week prior to your arrival and will meet with the Commander of the Royal Air Force of Oman (RAFO), as well as the Under Secretary of Defense, in order to discuss Shared Early Warning. Oman remains a strong friend (the Omanis refer to their relationship with us as "strategic") that provides us with ready use of its military bases. While we share concerns over regional threat issues, we continue to differ on the threat posed by Iran. The Gulf Security Dialogue (GSD) has highlighted this difference, with Oman recognizing the instability created by Iran, but advocating direct talks with Tehran without preconditions or sanctions as the best way to mitigate Iranian threats. Iraq, Lebanon and the Israel-Palestinian conflict remain other key regional concerns for Oman.

12. (S) Under the auspices of the GSD, Oman is not interested in Patriots, but is interested in Shared Early Warning as well as HIMARS/ATACMS, which Oman seeks for its deterrent capability. Our engagement with Omani security forces continues with a number of successful projects (e.g., the Masirah Island fuel project and plans for movement to al-Musanah airbase) undertaken to enhance our future base access and contingency planning. However, the recent reduction in U.S. FMF funds could adversely impact opportunities for further military engagement and interoperability. On a new endeavor, I fully support the proposed establishment of the NESA Center Forward in Muscat. This proposal has previously been discussed informally with key Omanis. I encourage you to raise this concept with His Majesty, who is a strong supporter of military-related education and will likely make the final decision. End Summary.

- with Omani officials. The Omani leadership still asserts that Iran is not a threat to Oman's security, and they strongly seek to avoid confrontation with Tehran in favor of dialogue and cooperation with their neighbor across the Gulf on mutual maritime and other shared interests -- including possibly importing Iranian gas to fuel Oman's expanding industrial needs. Nevertheless, Oman remains deeply concerned over Iran's nuclear ambitions, as well as over Tehran's trouble-making in Iraq, Lebanon and elsewhere, and senior Omanis regularly share their insights and observations concerning Iran with us. The January incident between IRGC and NAVCENT vessels in the Strait of Hormuz highlighted to Omani officials the vulnerability of this strategic chokepoint to unpredictable Iranian behavior. OMC is working to establish working group meetings between NAVCENT and ${\tt Oman}$ to ensure the Omanis understand their responsibilities under maritime law concerning the Strait, and to explore programs to assist Oman in monitoring and securing this vital waterway.
- 14. (S/NF) Omani leaders have a unique view of potential Iranian military action in that they do not believe Iran would attack GCC countries with missiles in response to a military strike staged in the Gulf. Instead, they see asymmetrical, terrorist operations conducted by Iran against Gulf states, including U.S. targets in these states, as more likely. To this end, the Omanis are not interested in acquiring Patriot missiles, and are much more keen on Shared

Early Warning (SEW) and HIMARS/ATACMS, which they view as the most credible deterrent option. Funding for these systems is not as readily available as is the case in other GCC countries, and Oman would like to tie "creative financing" (which it has not yet defined) to items it sees as falling under the context of the Gulf Security Dialogue.

- 15. (S) The Omani leadership will undoubtedly want to hear the latest U.S. views on the future of Iraq as they remain particularly concerned that extremist and sectarian violence there could spill over into other states in the region. Though encouraged by the recent improvement in security in Iraq brought on by the U.S. troop surge, Omani government officials still harbor doubts about the reliability of Iraq's leadership and its inability to effectively stabilize the country. These doubts, and fears over the safety of foreign diplomats, have so far stymied our efforts to persuade Oman to reopen its embassy in Baghdad. Senior Omanis also continue to question whether Iraqi Prime Minister Maliki is interested in, and/or capable of, pursuing reconciliation with Sunni leaders. Omani officials will be eager to hear your thoughts on Afghanistan/Pakistan, particularly given recent events in these countries.
- 16. (C) The Israeli-Palestinian conflict remains a matter of considerable interest, both within the leadership and among the Omani public. Private communications between Omani and Israeli officials -- including at the Foreign Minister level -- continue, and the Omani government endorsed and participated in the President's November 27, 2007 conference in Annapolis to promote Middle East peace. While senior Omanis appreciate the President's recent efforts to help achieve a Palestinian state, they fear it may be "too little, too late," particularly given the limited tenure of the current administration in Washington, unless the U.S. applies more pressure on Israel to stop settlement activity and seriously address final status issues. A lasting Israel-Palestinian peace, your Omani hosts will argue, will greatly enhance U.S. efforts against terrorism and extremism in the region.

17. (S) Border control remains one of Oman's top priorities. OMC accordingly continues its work with various military and police service to enhance Oman's ability to monitor and police its borders. During Ramadan (September-October) of 2007, a joint operation between the Royal Navy of Oman (RNO), the Royal Air Force of Oman (RAFO), ROPCG and the UK's helicopter detachment in Muscat was successful in interdicting numerous boats used to smuggle people and drugs into the northern Batinah coast. After the first week of interdictions, the Omanis reported that the smugglers no longer were using their normal routes. Whether they avoided Omani waters or went inland elsewhere is unknown. On the counter-terrorism front, the Sultan's Special Force (SSF) is on track to stand up a 3rd battalion, which will have urban CT as its sole mission.

Overall Mil-Mil Programs

- 18. (S/NF) Operations and War Reserve Materials (WRM): Oman has fully supported virtually all access, basing and over-flight requests we have made. NAVCENT flies P-3 patrols from Masirah Island on an irregular single-ship deployment basis and the U.K. maintains a Nimrod detachment at Seeb airport, which operates as part of OEF. CENTAF's WRM sites at Seeb, Masirah and Thumrait -- which house almost USD 10 billion in WRM weapons, equipment and supplies -- are robust and active in support of current Middle East and South Asia military operations. Recently, two Harvest Falcon sets were deployed to Afghanistan to support the U.S. Marines deploying there. The closure of the military portion of Seeb airport will be a phased reduction starting in 2010 and completed by 12012. Oman is constructing a new airbase at al-Masanah, close to the northern port of Sohar, and is keen to have U.S. Air Force presence at this base. CENTAF plans to begin construction of its WRM site at al-Masanah and held a planning meeting with RAFO for this purpose in January 2008.
- 19. (S) Exercises: The exercise schedule for FY08 is robust, with one ground exercise, three JCETs, two air (one of which will be a combined Oman, U.S., U.K and French) and two EOD exercises. In addition, planning for a new amphibious exercise with Oman is underway. The objective of this exercise will be military assistance from the sea in response to a humanitarian disaster (i.e. typhoon, earthquake, etc.).
- 110. (U) IMET/CTFP/NESA: FY06 IMET program was USD 1.089M with Oman sending 27 students to the U.S.; five students were sent under the Counter Terrorism Fellowship (CTF) Program. FY07 IMET was USD \$1.089M and sent 28 Omani students to the U.S. The FY 08 budget for IMET and CT for Oman increased to \$1.5M and \$100K, respectively. Currently, there are 57 Omani NESA alumni with two new participants preparing for travel.

Foreign Military Sales

111. (C) FY06 and FY07 FMF was USD 13.86M, a marked decrease from FY05's USD 19.84M. The FY08 FMF budget request was first reduced to \$10.10M, and then again to \$4.65M. The Omanis have not yet been officially notified of this reduction and we anticipate a very negative reaction, as well as questioning by the Omanis whether this is intended as a political message. In addition to closing some engagement opportunities, the impact on Oman's five year military acquisition plan could be significant; undoubtedly some key acquisitions will have to be postponed or possibly canceled. Numerous FMF cases are in process, including NVDs, Naval and Coast Guard boats, M-16 rifles, Javelin (missiles should arrive in Mar 08) and TOW-IIB (missiles scheduled to return to manufacturer for repair (Feb 08). After the Joint Military Commission, the Omani Ministry of Defense indicated it would like to move HIMARS/ATACM (ENDP for ATACM should be completed in Feb 08) to the top of its priority list. However, funding for this system will be an issue and Oman would like to tie "creative financing" for this into the Gulf Security Dialogue. Key FMS cases are:

- a. (C) F-16s: Eleven of the 12 aircraft are in country, with the last aircraft (the test plane) now undergoing retrofitting. Overall, the case has been managed well and the Omanis are proving very capable as pilots, maintainers and logisticians. However, there are a number of issues (e.g. radar glitches, AIDEWS, and late NVD delivery) which have prevented the squadron from becoming fully operational. Most of these issues are manufacturer-related and SAF/IA is working to clear them up. Yet the impact has allowed some influential Omanis to claim the F-16 was the wrong choice and to advocate for the Eurofighter for the second squadron of new fighters. Because of this, RAFO -- which favors the F-16 -- is delaying its request for a second squadron of fighters until the F-16s are operational. Mr. Lemkin from SAF/IA will visit Oman in early March to discuss the way-aheads on these issues.
- b. (SBU) Mark V Fast Boats: The boat delivery was delayed over a year after the U.S. manufacturer's main plant was destroyed by Hurricane Katrina. The vessels will provide a much needed capability for the Royal Oman Police Coast Guard to interdict smugglers who use fast boats. The boats are now undergoing sea trials with delivery tentatively set for March 12008. In order to have the boats operational as quickly as possible, we currently have a team from PATFORSWA conducting training for the ROP/CG.
- 112. (S/NF) Bilateral Intelligence Exchanges: Oman and the U.S. have an active intelligence exchange program (Sea Gull) that is now focused on Iranian military activity. USCENTCOM analysts are preparing for the next Sea Gull exchange on 1-5 March 2008. Oman is looking to acquire new ELINT/SIGINT equipment to replace the obsolete equipment acquired under CLUSTRUM SPECTRUM. The Royal Air Force Of Oman is the executive agent for CLUSTER SPECTRUM and has formally requested replacement; DIA and USCENTCOM are working packages to identify possible systems and seek funding.
- 113. (U) In conclusion, overall Oman-U.S. relations, as well as the military-to-military relationship, are solid. Our daily interaction with the Omani leadership and armed forces is candid, constructive and marked by a spirit of cooperation

on both sides. GRAPPO